

Office Memorandum • UNITED STATES GOVERNMENT

TO : AD/RR

FROM : Chief, D/E

SUBJECT: NSC 152

DATE: 1 June 1953

1. NSC document 152, approved by the Planning Board of the NSC, is to serve as the basis for an NSC review of US policy in the economic defense field. It presents a statement of the current US policy and an appraisal of four possible alternatives which might be adopted -- continuation of present policy, abandonment of controls, selective relaxation, or attempts to strengthen international controls.

2. An early section of the paper enumerates various of the factors -- economic, political, psychological -- which should be taken into account in decisions with respect to policy in the economic defense field. Among these factors bearing on the problem is the extent to which the economies of the Soviet bloc might be injured as a result of a complete cutoff of East-West trade. The document points out that the extent of such damage would probably be limited, and this view is completely in accord with the estimates of ORR and NIE-59.

3. The decision of the NSC on policy in the economic defense field will be based on many considerations other than those on which ORR is competent to speak. In briefing the DCI, assurances can be given that insofar as the document deals with the economic effects on the Soviet bloc of a complete cutoff of East-West trade, the conclusions are in complete agreement with those of CIA.

4. This memorandum has been coordinated with D/A.

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D/E/RR:CEG:aa (1 June 53)

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